Office of Chief Counsel Internal Revenue Service

memorandum

CC:LM:RFP:CHI:2:TL-N-2839-99

JELamartine

date:

to: Patricia Johnson, Team Coordinator, LMSB Group 1531

from: JAN E. LAMARTINE

Attorney

subject: Forms 872 for and ED

DISCLOSURE STATEMENT

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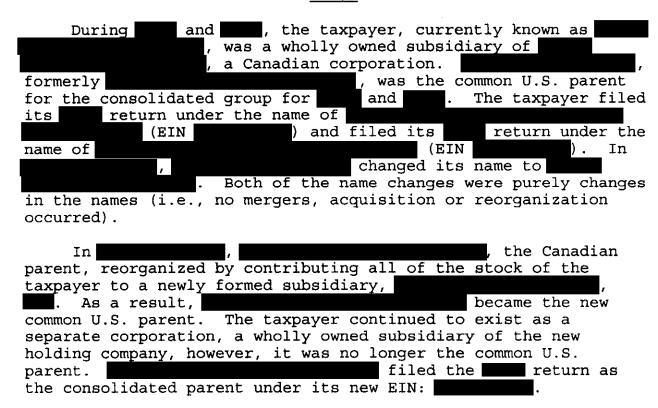
Issue

(1) Who is the proper party to execute Forms 872 for (E.I.N. (E.I.N.)) for the tax year (2) Who is the proper party to execute Forms 872 for (E.I.N.) (E.I.N.) for the tax year ?

Conclusion

Since the former common parent,
formerly , formerly , formerly , continues to exist even though it is no longer the common parent
of the consolidated group, it remains the agent for the group
with regard to the years it was the common parent of the group.
Treas. Reg. §§ 1.1502-77(a) and 1.1502-77T(a). Therefore, it is
the proper party to execute the Form 872 for the and
tax years. The following is a summary of the relevant facts
surrounding the corporate transactions.

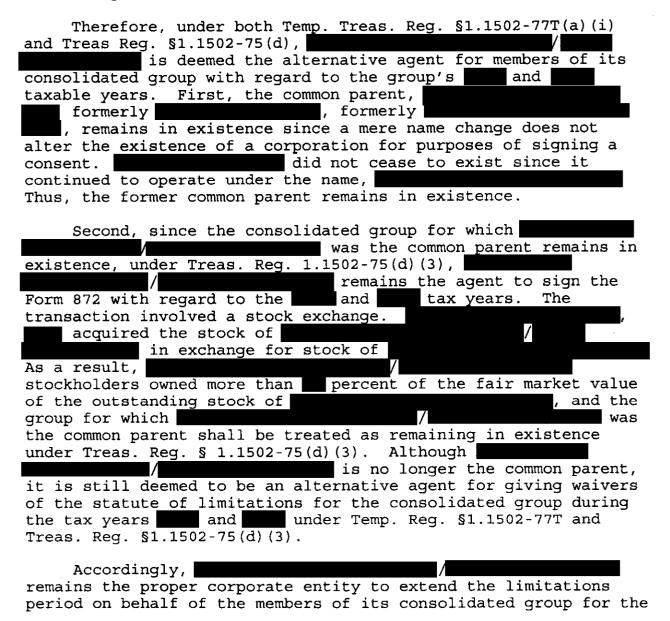
Facts



Discussion

Treas. Reg. §1.1502-77(a) provides that the common parent is the agent for a consolidated group with respect to nearly all procedural tax matters relating to the group's tax liability for a consolidated return year. This agency continues for as long as the parent remains in existence. Treas. Reg. §1.1502-77(a); Craigie, Inc. v. Commissioner, 84 T.C. 466 (1985); Southern Pacific Co. v. Commissioner, 84 T.C. 395 (1985).

Treas. Reg. §1.1502-77T also applies to situations where a group continues to exist following a transaction described in §1.1502-75(d) (such as a group structure change), in which a new common parent has replaced the former common parent. See Interlake Corp. v. Commissioner, 112 T.C. 103 (1999); Union Oil Co. v. Commissioner, 101 T.C. 130 (1993); Southern Pacific Co. v. Commissioner, 84 T.C. 395 (1985). In the situation where the corporation that was the common parent ceases to be the common parent, Temp. Treas. Reg. §1.1502-77T(a)(4)(i) provides that it shall be the alternative agent for a consolidated group as long as it remains in existence. This only for purposes of mailing notices of deficiency and waiving periods of limitations. Temp. Treas. Reg. §\$1.1502-77T(a)(2), (a)(3).



tax	years and and .
foll	We recommend that the caption of the Form 872 should read as ows: (Top of Form 872) (EIN) (formerly) *
	On the front of the Form 872 the asterisk should refer to
the	following: *This is respect to the consolidated tax of
the	taxable year and the consolidated tax of group for tEIN group for the taxable year group for the taxable year
	In addition, the signature block on page 2 of the Form 872 ald be signed as follows: The Form should be signed by a current officer of

JAN E. LAMARTINE Attorney